



BEFORE THE  
ILLINOIS COMMERCE COMMISSION

TELECOMMUNICATIONS POLICY MEETING

Chicago, Illinois  
August 10, 2000

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

CHAIRMAN RICHARD L. MATHIAS

COMMISSIONER RUTH K. KRETSCHMER

COMMISSIONER TERRY S. HARVILL

COMMISSIONER MARY FRANCES SQUIRES,  
via telephone

COMMISSIONER EDWARD C. HURLEY, CHAIRPERSON,  
TELECOMMUNICATIONS POLICY MEETING

TELECOM POLICY MEETING PRESENTERS:

MS. NANCY ATKINSON (ICC)

MR. TIM CONNOLLY (ATT&T)

MR. TOM O'BRIEN (CoreComm)

MS. JOAN CAMPION (WorldCom)

MR. BILL DAVIS (AT&T)

MR. ROLANDO PALACIOS (RCN)

MR. SCOTT FINNEY (AT&T)

MR. GLEN SIRLES (Ameritech)

MR. TIM GILES (Ameritech)

SULLIVAN REPORTING COMPANY, by  
Cariann Bills, CSR

COMMISSIONER HURLEY: This is a special open meeting pursuant to notice of the Illinois Commerce Commission. It is a meeting of the Telecommunications Policy Group.

And today the purpose of our meeting is to discuss the Condition 29 Operation Support Systems, commonly known as OSS, which have been in collaborative for some time. I know it's been a long and arduous process. The purpose of this meeting is for you all to brief the Commission on the issues that are left open that will go into arbitration.

When I set up this meeting, I asked for people to allow two hours. I think we were hopeful that there would be fewer issues than we have before us and certainly issues within issues. I know that Nancy Atkinson who's been putting this meeting together and running the collaboratives for the Commission has given you time frames. I hope that you will abide by those as best you can try to get your message across so that the Commission understands your point clearly and concisely.

I'm going to hand it over to Nancy Atkinson. From my count there are about ten speakers, maybe 11 speakers. For the sake of the court reporter, the first time you speak if you would give your name and company affiliation, thereafter she will likely be able to know who you are. You don't have to give your name every time you come up to talk.

I think we can get started now and I'm going to turn this over to Nancy Atkinson who is our OSS expert.

By the way, something very important, because we have a Springfield hookup and Commissioner Squires is in Springfield -- Commissioners Harvill, Kretschmer, Mathias and Hurley are here in Chicago -- and there are other staff people down in Springfield, please speak into the microphones. It is very important. They cannot hear you unless you're pretty much on top of the microphone.

Nancy, take it away.

MS. ATKINSON: Thank you Commissioner Hurley.

Can you hear me?

COMMISSIONER SQUIRES: We can hear you.

MS. ATKINSON: Just as Commissioner Hurley indicated, Phase 2 of Condition 29 of SBC/Ameritech merger called for SBC/Ameritech, Illinois CLECs and ICC staff to work collaboratively to obtain agreement on operational support systems, interfaces, enhancements and business requirements as identified in Ameritech's revised plan of record.

Our Illinois collaborative began on June 21st with an initial list of 90 issues identified by the CLECs. After the first meeting, the group continued to meet for two days for each of the next seven weeks working to come to agreement on the issues.

I would also like to point out that other forums have also been holding discussions on many of these same issues. They include the FCC uniform and enhanced collaborative, the FCC advanced services collaborative, as well as meetings being held by other state commissions.

To the extent that agreements have been

made in any of these other arenas, the Illinois collaborative has attempted to import the agreements or portions of those agreements here when applicable. And today the goal of this meeting is to have the parties jointly present the list of remaining issues to the Commission as stated in the merger order that have not been resolved via this collaborative process today. And there are 22 unresolved issues as we have it on the list here. Each item, I want to keep in mind, is of equal importance considering the differing views and business goals of the dozen or more CLECs who have been active participants in this process.

Also, I just want to make sure that we -- the parties are continuing to meet on these issues. It is not to say that this list as it stands today is what will be submitted for the Commission. We still have additional time and the parties are actively working to continue to come to agreement on these items.

So we're going to move into the presentation of the issues. I'm going to read the

name of each issue and in some instances provide some context behind it. The CLEC will then have two minutes to present their unified position on the issue and immediately following SBC/Ameritech will have two minutes.

We have a time clock over here. How that works is basically we will start with two minutes. The background of the screen will be green. At a minute, I will turn to yellow just as an indication that half of your time has expired and then it will go to zero. We'll just see how it goes. If people are going beyond their two minutes, I may cut them off.

Also, I encourage the Commissioners to ask any questions they have of the parties after each individual issue. We will try to do our best to move through the list considering the number that we have here in the amount of time we're trying to cover.

COMMISSIONER HURLEY: Because there are so many issues, we thought it was best that if the Commissioners do have questions, they should pipe



right in. We will try to be as casual as we can since it's a policy session. Trying to ask all of our questions at the end, I think, would be too difficult. So if you have got a question, just ask it.

MS. ATKINSON: Okay. The first issue involves application versioning. Application versioning is the technical ability, process and time frame by which SBC/Ameritech supports multiple versions of a production application.

First, Tim Connolly from AT&T is going to state the unified CLEC position and then Glen Sirles from Ameritech will speak.

MR. CONNOLLY: Thank you, Nancy, Mr. Chairman, Commissioners. Tim Connolly, AT&T.

Versioning is a rather technical reference to -- in which we establish that a production interface that is in service is replaced by a subsequent interface that Ameritech has developed.

When the second -- the new release of the version of the interface is available in addition to

the production interface, we say that that is versioned. Where the interface, the new interface, replaces the production interface, we call that a flashcut.

The difference from the CLEC perspective is very important because with a flash cut, the CLEC has to migrate its application to that next level at exactly the same time. It means that testing has to be done jointly. And at the same time as Ameritech is doing its testing, any problems that Ameritech detects or any CLEC problems that they detect in the development that they have executed, manifests themselves in testing and the time to resolve those is always very critical. But once Ameritech puts that new interface in a service under the flash cut procedure, the CLEC has to move at the same time.

Versioning provides a window of opportunity for Ameritech to install the tested interface and have the CLEC move to it over a more general amount of time. Usually, it's a three-, four-, five-, six-month period of time.

We worked pretty hard with Ameritech and

SBC to hammer out what versioning means. You may hear terms like dock releases and things which are variations on the same thing.

Ameritech's commitment is to implement versioning whereby we don't have to flashcut everything in March of 2001. The CLECs find that we continue to have more releases planned. There are five ordering releases planned between now and March of 2001. There is one preordering release that's going to be available before March of 2001 and we continue to have to migrate at the exact same time through these flashcut procedures.

They are dangerous for the CLECs because they take away the ability to gradually move into a new production environment, new production interface and we are asking that Ameritech advance its schedule to make versioning available in the third quarter of 2000 rather than six months later at the end of March of 2001.

MR. SIRLES: Commissioners, I'm Glen Sirles with SBC/Ameritech.

COMMISSIONER KRETSCHMER: Would you spell your

last name.

MR. SIRLES: S, like Sam, i-r-l-e-s.

I am the vice president of Operation Support Systems within interconnection services for SBC. And as such I have responsibility for the local competition operation support systems for all of SBC.

Before I address Mr. Connolly's comments, I would just --

COMMISSIONER HURLEY: If you would get a little closer, it might help, Mr. Sirles.

MR. SIRLES: Before I address Mr. Connolly's comments, just a couple of quick comments. I would want the Commission to know that SBC has a very strong desire to have the finest operation support systems for local competition that we could possibly have. We have been working very diligently with the CLECs trying to craft a plan that is workable for us all and that benefits local competition to the utmost.

While we're talking about a series of issues here today, I would want the Commissioners to

realize that we started with a much broader list. That list was enhancements and to a plan that already existed. We had about 100 issues and today we're talking about 20. So there's been a lot of progress and that's the point I really want the Commissioners to know. We've made a lot of progress. These issues will remain open a while longer as we continue to talk about them and, hopefully, even more will be closed.

To the point of versioning, really we're not a part of the philosophy. We're only a part of timing. We have worked through what versioning is. And we have come to agreement with the CLECs on what versioning is. Ameritech's plan is to implement versioning with the March release of 2001.

Mr. Connolly did reference that there are a series of ordering releases that will take place, as well as preordering releases, between now and that March release. We're continuing to revise that list and refine that list. Actually, it will get down to just two ordering releases between now and the March release. Those in our plan will not be versioned.

However, we do feel that there are only nominal changes that the CLECs would have to make in those two ordering releases.

Versioning is not an easy thing to do. The software code to support two major versions is extremely difficult. And while we're preparing that in this complicated March release, to deviate and try and build versioning into what exists today just further complicates the issue. We have to make sure that we get both versions correct when we do implement, and then they have to stay in sync as we go forward. If we deviate our plan and try and version what exists today, we will be working within the software system for an older version of the programming and deviating our focus from what we're trying to deliver in March when the environment is significantly enhanced.

Also, in March we're providing a different version of industry standards and versioning will be very closely tied to those industry standards. Therefore, we think the complexity is better held until March. So it is a

timing issue.

COMMISSIONER HURLEY: But are you suggesting that it's infeasible to do it, to advance the time?

MR. SIRLES: From our standpoint, it is virtually infeasible. That becomes a resource constraint issue. It's not impossible because we're talking about software systems and we're talking about coding. Nothing is impossible but the amount of work you can do in a given period of time with the resources we have becomes a constraint.

COMMISSIONER KRETSCHMER: May I ask are you versioning anywhere else at this time, any other states?

MR. SIRLES: We are implementing versioning in Southwestern Bell and Pacific Nevada this coming weekend. That project has been over a year in the development cycle.

COMMISSIONER KRETSCHMER: So you know how it should be done. You have had some experience in preparing to do this?

MR. SIRLES: Yes, we have.

COMMISSIONER KRETSCHMER: And it is going to take

you from now until March 1st to implement here in Illinois?

MR. SIRLES: Yes. Realize that we will pass two releases and then in the third release, there will be versioning.

COMMISSIONER KRETSCHMER: In the meantime, it's technologically impossible for you to move that date up? Is that what I am hearing from you or no?

MR. SIRLES: Technologically, not impossible. There is high risk in that we will make errors from attempting to do too much too quickly and the quality of those software releases that we will deliver yet this year is at risk, in our opinion.

COMMISSIONER HARVILL: Mr. Chairman.

This is actually a question for both of you and then a follow-up question.

There is currently a region-wide effort on OSS standards. How many of the disagreements -- and I am talking about everything that we're going to be talking about here today -- how many of the disagreements are a result of the time frames that have been committed to by Ameritech/SBC in other



states?

I mean, I attended some of the OSS collaboratives and I heard the responses to a lot of the CLEC concerns on time frames as, this is what we have committed to in Ohio; this is what we committed to in Wisconsin or what have you.

What I'm trying to get an understanding of is just how many of these issues are a result of what's been done in other states?

MR. CONNOLLY: I can walk you through the list that Nancy has provided to us.

I'll tell you that the first application versioning is a timing issue. The address validation -- middle of the second page -- is a timing issue. The graphical user interface ordering issue -- the top of the third page -- is a timing issue. The directory listing ordering inquiry issue on the bottom of Page 4 is a timing issue. And the CABS -- the availability of CABS for billing UNEs is a timing issue. That is the second part of the UNE-P item on Page 5.

COMMISSIONER HURLEY: If I could interject

something at this point, I think something that will be of interest to the Commission and perhaps expedite the process. When we get to the issues that involve advancing time frames, if you could simply advise us whether it's technically infeasible for you to do so or alternatively that there is some other legal reason you cannot advance the time or perhaps something in our own order that states you need advanced time, I think that would help expedite this process because I think all of us will be interested in your response to the timing issues.

Does that help?

MR. SIRLES: We can certainly do that.

COMMISSIONER HARVILL: That will help it out. I guess I am trying to get to the issue of if this is the reason why some of these time frames are being adhered to by SBC/Ameritech as opposed to moving it up to, say, December in this particular issue. Is that appropriate? I mean, just because something is committed to another jurisdiction, is that a justifiable reason for not moving it up here in Illinois?

MR. GILES: This is Tim Giles from Ameritech.

Commissioner, I would say that many of the dates associated with these are dates that we have committed to elsewhere because we are dealing with a five-state OSS and if modified for one state will likely effect users in another state. It is not the case and I don't believe that anything is held back because a date commitment has been made elsewhere because in most cases those dates when offered and committed to were as accelerated time frames we felt we could commit to at that time.

COMMISSIONER HARVILL: Those dates that were committed to in other jurisdictions, were they the result of negotiations within the context of the collaborative or were they the result of issues that were arbitrated before a commission and they made a determination on those dates?

MR. GILES: Some of the dates have been turned into Commission orders in other jurisdictions but in most cases were negotiated prior to it being turned into an order.

COMMISSIONER HARVILL: What I'm trying to get to

is if a CLEC community in Ohio, for example, committed to March of 2001 went for application versioning, whether or not it's appropriate for them to become in Illinois or trying to have the Commission reach an alternative decision on that here in Illinois which would move the time frame up in other states where they have agreed to it or in the alternative is Ameritech just holding firm to those dates because of a decision in other jurisdictions?

MR. SIRLES: I really don't think that that's the point on most of these issues. A good number of them deal with just how fast we can get things done. Many of those, while exclusive to the Ameritech five-state region, are not necessarily being driven by another commitment in Ohio and not necessarily agreed to by other states. So we do have some universal time frame disagreements across the Ameritech five-state region for what we're trying to do.

COMMISSIONER HARVILL: Thank you.

COMMISSIONER KRETSCHMER: Just one last question.

It would be helpful at the end of this meeting if you could give us -- at least I would like it -- a listing of the five Ameritech states and on the timing issue when you plan to install the particular product that is being requested for the other four states.

In other words, I want to be able to see if Ohio is getting versioning in December, why can't we get it in December. If they are getting it in April, that's fine as long as we're ahead of the pack. So at the completion of this meeting, I would like to have all of the timing problems with a list of dates you will be providing those particular services in the other four Ameritech states.

MR. SIRLES: We can do that.

COMMISSIONER KRETSCHMER: Thank you.

COMMISSIONER HURLEY: Let's move forward.

COMMISSIONER SQUIRES: Commissioner Hurley, while we can hear very well here in Springfield -- we don't want you to think we can't -- but we did not hear the name of the second speaker.

COMMISSIONER HURLEY: It is Mr. Tim Giles from

Ameritech.

COMMISSIONER SQUIRES: Thank you.

MS. ATKINSON: Issue No. 2 is long-term joint testing. Joint testing is a process by which individual CLECs can test a given application release in conjunction with SBC/Ameritech prior to the date that that actual release is placed into production.

Tim Connolly, again, will represent the unified CLEC position and then Glen Sirles will speak for Ameritech.

MR. CONNOLLY: Thank you, Nancy.

The testing that CLECs need to do with Ameritech I referenced shortly before when talking about versioning. The testing environment within which the CLECs have access to software systems and interfaces built by Ameritech needs to be an environment that for existing interfaces mirrors the production environment.

The CLEC has undergone the programming and development work to establish its interface. It needs to have a reliance on the testing environment

to prove that that interface works and works well for the various products and services that it obtains through these interfaces.

With a test, it wants to be able to ratify that the testing results would be the same as those in the production environment. So if there are successful orders processed in testing, those same orders should work in production. And there you have got the rationalization of the CLECs development work.

The testing environment that's proposed by Ameritech for the production testing is dissimilar from the production environment in several key ways. The first is that the testing environment is impeded by a monitoring device or a set of monitoring procedures that Ameritech establishes in order to look at and manually review test orders as they are entered into the testing system; and then look at those orders again after they have been processed through and extensively provide consultive advice to the CLECs about the quality of their testing, about the quality of the

orders they are using for testing and any other feedback along those lines.

CLECs believe that that's a valuable service that could be available to the CLECs upon their choice. Ameritech insists that it be the norm rather than the exception. We find that that contaminates this relationship between production and testing because the production environment doesn't have such monitoring. We want to find out if response times are the same, if the orders cycle through at the same pace and that's an important finding that we make out of the testing environment on the way to production.

MS. ATKINSON: Tim, if you could try to wrap up your statement, that would be good.

MR. CONNOLLY: The testing of the existing releases as opposed to testing new releases are both dimensions of joint testing both at which need to have -- be adequately planned.

Ameritech's plan of record provides a lot more information, a lot more resource allocation towards testing new releases and we're left without



pretty much information or access to the existing production testing and we need those resources in order to verify our systems development work and test adequately.

MR. SIRLES: Glen Sirles, SBC/Ameritech.

Again, we have talked extensively about testing. I don't know that we're all that far apart from the CLEC position on testing. The items that Mr. Connolly has described I thought we had cared for in the last version of the language that we offered. There had been some disagreement, again, about the time that -- the timing in which the test environment would be made available and I am aware of that. So once again, there is a timing issue here.

In terms of the manual touch points, SBC does feel strongly that there is benefit and we've had customer expression that there's benefit to the manual touch points in the test environment. It was also found to be beneficial in the Texas order by the FCC.

The environment that we proposed is the

environment that is used in Southwestern Bell with some enhancements that we have agreed to as a result of these collaborative discussions with the CLECs. So that is the environment that would be implemented and would be implemented and available by March of next year.

In terms of existing and ongoing releases, it will do both. And that language was placed in the last version that we shared with the CLECs. That there is a release test process. There is an in-between process which cares for a production of new customers as well as testing of new products that the CLECs might wish to turn up between releases.

So, again, my understanding of this issue was that it was more one of timing. It was the desire on the CLECs part to have this testing environment in advance of March. We're unable to do that because of the complex nature of the test environment. We did offer to do certain other types of things with the CLECs working through their account teams that attempted to accommodate their

needs for the next two releases prior to March.

COMMISSIONER HARVILL: Could you -- you referenced the testing as something that your customers have found benefited in the past. Who would those customers be, other CLECs?

MR. SIRLES: CLEC customers, yes. In the Southwestern Bell region, I've experienced the test environment that is used currently in Southwestern Bell.

COMMISSIONER HARVILL: Are most of those CLECs participating in this OSS collaborative or are there others out there that I'm not aware of?

MR. SIRLES: No. Those customers are unique to the southwestern region.

COMMISSIONER HARVILL: But the larger CLECs that are participating in the OSS --

MR. SIRLES: Yes, and I might add that to accommodate those concerns, we did also offer language which is one of the enhancements that I spoke of that allows for the removal of those manual touch points and to put the test environment into a fuel mechanical mode.

We set -- because what we're hearing from some of our customers that there's a benchmark -- that should be about 10 percent of the time that you're in a test mode of a release.

However, to further accommodate the CLECs thoughts, we placed some language in the plan that said that can be adjusted through change management process or at least by release. So at this point I don't understand why we still have an issue.

COMMISSIONER HARVILL: From what you said earlier, will there have been testing of the new services prior to their release for production?

MR. SIRLES: Absolutely.

COMMISSIONER HARVILL: And the issue that you brought up at the end of your statement, you kind of ran through at the end, not the manual test points necessarily but the second part of your statement concerning the joint testing.

MR. CONNOLLY: About joint testing of the existing production releases with a CLEC who is changing their production interface is one dimension of testing. The second is the joint testing of new

releases that Ameritech is putting out with existing or with new CLEC releases.

COMMISSIONER HARVILL: And your main concern there is what?

MR. CONNOLLY: That we have a pretty good idea of what the second test environment is, the new release of Ameritech's software and how that can be tested. We have an inadequate provision in the plan for testing existing releases. That's where I went off on my point there on requiring a production mirror for the testing environment and as we try to work through this providing provisions in the plan of record, we are unable to close the gap that we sense is there.

COMMISSIONER HARVILL: On that particular issue, do you think they are close?

MR. SIRLES: I really had thought we were close. I have modified that language a number of times to attempt to accommodate Mr. Connolly's points and did place language in the plan that specified the environment was available between releases for testing. In reality that environment as it operates

in the balance of SBC is available today between releases and is actually used by CLECs.

COMMISSIONER HARVILL: Thank you.

COMMISSIONER KRETSCHMER: Mr. Connolly, are you saying that you have not received, for instance, the business rules or other documentation that described and defined the ways in which -- when such processes are going to be implemented? Is that what I'm hearing the bottom line that you don't have the information you need in writing that would address this issue?

MR. CONNOLLY: In a sense, that's correct, Commissioner. In order to understand and to communicate effectively about how we will test the existing release environment as well as the new ones. We have to have access to what is the definition and description of what is the software, what are the data bases that are available that -- and how is the information that's necessary for testing.

The language that we have now in preorder, for example, preorder testing capability

says that we're limited to access to testing accounts. But preordering requires that we have access to testing for telephone number reservations, for loop characteristics to determine if our loop qualification queries are effective, due date scheduling, product and service availability. And that information is not in the plan and we have tried to work through those differences and get them hammered out.

COMMISSIONER KRETSCHMER: That doesn't seem like that -- that seems like a logical request so that when the testing is completed, everybody knows it is going to work. Why is that a problem?

MR. SIRLES: It's not a problem, Commissioner, and actually I thought we were mostly there. We have modified that language a number of times to accommodate the concerns. I think the language speaks to those concerns.

COMMISSIONER KRETSCHMER: Well, perhaps rather than you modifying, you ought to get in the same room with your customers -- these are customers as well as competitors -- and draft some language that

everybody can live with.

MR. SIRLES: Please don't understand that we have not been doing that because every change that I have made to the language has been discussed with my customers.

MS. ATKINSON: Any additional questions?

We're going to move onto issue  
No. 3, the change management process.

In general, the change management process identifies or defines the standards by which business is conducted between the CLECs and SBC/Ameritech related to all changes that occur to their operational support system interfaces. A 13-state regional exchange management process has been in the process or in the works of being defined by the CLEC community in conjunction with SBC/Ameritech since November of this past year. And there is one or two outstanding issues related -- or one outstanding issue related to that, as I see it.

Tom O'Brien from CoreComm will represent the CLECs.

MR. O'BRIEN: I am Tom O'Brien. At issue here



are the requirements for participation in an OIS vote. An OIS vote can change release requirements, delay the communication of an EDI release, back out a release or delay the retirement of an interface.

Now, there is general agreement that an OIS vote should be -- effect all CLECs. The question in dispute is how to determine the population effect that the CLECs require for a vote.

Now, the CLECs believe that some majority of the participants in a called vote should govern the process. This process allows the CLECs themselves to determine who among the qualified CLECs are also effected. CLECs that are not effected opt out of the voting process through their silence. The CLECs then have a stake in the vote and express that stake by their participation in the vote. Each CLEC clearly understands that participation is necessary to protect their interests.

Now, SBC's insistence on a quorum requirement assumes that all qualified CLECs are also effected. This will be true in only the most

literal sense. Not all qualified CLECs will be effected by a particular release or a particular problem for any number of reasons. They just won't necessarily care about a particular issue. Yet the CLECs who will be effected who do care about the problem associated with the release, will be required to muster the majority of some quorum in order to have a vote go forward.

Establishing a quorum is administratively cumbersome. Ultimately, SBC decides if there is a quorum for a vote. This requirement adds unnecessary complexity to the process. It places a burden on effected CLECs to persuade potentially indifferent CLECs to provide support.

The burden should remain on SBC to effectively communicate the need for the viability of EDI changes. The quorum process largely defeats the purpose of an OIS vote in the opinion of the CLECs.

COMMISSIONER KRETSCHMER: Is everyone as bewildered by this as I am?

COMMISSIONER HURLEY: I have absolutely no

comment on this point. I can't even discuss it.

COMMISSIONER KRETSCHMER: I want to hear from SBC/Ameritech. This seems to be the strangest issue I have ever heard of in my entire life.

MR. SIRLES: I can understand your feeling, Commissioner.

COMMISSIONER HURLEY: I wish you well, Mr. Sirles.

MR. SIRLES: Built into the change management process is a procedure for decision points by the CLECs at certain points when you're developing requirements for software changes. When we're retiring certain interfaces and when we are deploying releases, it's a cooperative process where we must all be in sync. And built into the process are certain points in time where the CLECs can throw up a flag and say we're not in agreement and we want to be able to discuss this; and, if necessary, overrule SBC on the plans. It is called a go-no-go vote. And that's really what it is and that's what happens.

The point of contention here is the way

the rule is built today, it requires CLECs to participate in that. If you're a user of the interface, you should be concerned about what's happening. The quorum requirement only asks that a minimal number of CLECs get to the table to discuss this issue. The CLECs would ask that SBC relax that, take that quorum out. And without that quorum rule, then potentially anyone who shows up to the meeting, if that's only one company, controls everything for all of the CLECs and can go a different route from SBC or what SBC thinks is proper. That's really the crux of this issue.

What SBC is seeking is to maintain minimal CLEC participation. This process has been built into the baseline document that we use for negotiation since day one. I started with this issue since we had a two-thirds majority quorum in California. We have taken it down to 50 percent majority in Texas concerning the discussion with the Texas Commission. Recently, I took it down to a 50 percent of the effective users, to quote Mr. O'Brien's term. We recently modified that to 50

percent of the effective users without the graphical user interface customers. Now, as recently as yesterday I am down to 50 percent of those effective users or a minimum of eight companies. And I still

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COMMISSIONER KRETSCHMER: How many?

MR. SIRLES: Eight companies to establish a quorum and then the vote is 50 percent of those, which is as little as five. There are today 30 users of the EDI interface in our area.

COMMISSIONER KRETSCHMER: 30 qualified?

MR. SIRLES: 30 qualified users. I'm only asking for eight with a vote of five and I think that's fairly reasonable.

COMMISSIONER HARVILL: Can I ask a question?

You're talking about voting on changes to the status quo, correct?

MR. SIRLES: Correct.

COMMISSIONER HARVILL: If somebody were to send me notification that there were going to be changes made to the interface and that didn't effect me, why then would it be necessary for me to participate and

say, I am okay with this, if it has absolutely no effect on me whatsoever. Why would my position of you can either leave it the way it is or go with a new interface matter?

MR. SIRLES: Well, if we treat your silence as consent, then in effect you are giving us your consent vote by not showing up and, therefore, not establishing a quorum. My opinion is that all CLECs should be concerned about every change.

COMMISSIONER HARVILL: But even if you have one CLEC and whether it's a small data CLEC or a large CLEC like AT&T or WorldCom and the interface changes that you're making from the status quo are going to effect them in a negative manner in any way that's going to cause them a particular problem, even if it effects just one of them, shouldn't you be concerned about going forward with making that change?

MR. SIRLES: I would be concerned but if you view it as a situation where there is nothing wrong and you're choosing between two ways of doing something and I have a voice from only one, then I feel the broader universe is affected and should be required

to voice a vote.

COMMISSIONER HARVILL: I am sorry. It seems like a simple issue but I am having a little trouble understanding this.

If you're maintaining the status quo and you're talking about changing something. If I don't have an opinion on this matter, it is not going to effect me either way, then by having one company stop this because they have a particular problem wouldn't matter. So I still don't see this need for the quorum.

I mean, it should be if one CLEC is effected they should have the ability to stop and say, hold on a minute, this is going to have a negative consequence for my customers.

Do you understand the point I am getting to here or what am I missing, I guess, is the question?

MR. SIRLES: There is two points in here. One has to do with requirements. In other words, the basic changes to the interface and the decisions about how we're going to implement those changes.

And they do, generally, impact more than one CLEC. That's where a consensus needs to happen. And in many cases, it will be a decision of not whether we do it or not but do we do it this way or do we do it that way. And my belief is simply that the broader community of CLECs should participate in that.

COMMISSIONER HARVILL: I am going to say this before Commissioner Kretschmer does because I know she's going to. One thing we do know how to do here is vote. Some may argue we don't know how to do much else.

We're provided with an agenda before each meeting. It is essentially our choice as to whether or not we attend that meeting. If I don't show up for a meeting and I don't vote because of indifference or because of what have you, that's my problem.

COMMISSIONER KRETSCHMER: Let me try a different tactic, if you don't mind.

You said there are 30 different qualified CLECs. Do all CLECs have a listing of all of the qualified CLECs with names, addresses and phone



numbers so they can roundup vis-a-vis the eight people or eight companies? Do they get to choose? Do all of your customers --

MR. SIRLES: We have built a way for them to know that, yes, and we have volunteered to build that way.

COMMISSIONER KRETSCHMER: Do they have the ability to know now -- so the second point then would be -- and I agree with Commissioner Harvill if people are not concerned, they may not show up. Some minor point might be a major point for another company.

How would you expect an AT&T, an MCI, Covad or McLeod or anybody else to line up people or companies who aren't interested in this particular issue to come and vote?

MR. SIRLES: Very easily. They know who they are. They talk --

COMMISSIONER KRETSCHMER: They do know who they are? You can give me a list of all of your competitors -- because they're all competitors as well as being customers.

MR. SIRLES: That's correct.

We will build a way -- have built a way for them to know who they are. So that's not under SBC's control.

COMMISSIONER KRETSCHMER: Not all of your customers have the same budgets, the same ability to participate in everything. I think you're creating a problem here for yourself, which is unnecessary, so that some of your customers don't want to participate. I think Commissioner Harvill said it. I won't belabor the issue but this issue seems really foolish to me.

COMMISSIONER SQUIRES: May I ask a question also?

You said that there are the 30 qualified CLECs. What kind of prior notice are you going to give to these companies to reply? Surely, it is not going to be 24 hours.

MR. SIRLES: You do have to understand that these events, especially when you're dealing with a release, deploy in a -- happen in a very quick turnaround. And, yes, built into the process there is a 24-hour notice. That has always been reviewed

as reasonable because of the quick turnaround that these types of things have to have.

We do post a conference call. We ensure that the conference call occurs. Where the vote occurs, it is generally a conference call if we're not required to attend in person.

This is one I am going to have to respectfully disagree on. I feel very strongly about this.

COMMISSIONER HARVILL: What occurs in a situation when one company with thousands of customers has a particular problem with the interface that you're changing? It's going to have negative consequences for its customers. I don't know what degree we're talking about here but shouldn't they have the ability to say, time out, we can't let this go forward because it's going to have negative consequences, without having to go around and get seven other companies and get on the phone and say we agree with them. It doesn't effect us but we agree with them.

MR. SIRLES: Understandably built into the plan

are certain safeguards that would state that we would never go forward with a release in Ameritech where we had an open issue. That's already built into the plan. So obviously if we ever got to this point, which I would expect to be extremely rare, it would be a point that needed serious discussion. And that serious discussion should take place among more than just SBC and one customer.

COMMISSIONER HARVILL: Can you give me an example of what type of proposal you would be making that would necessitate this type of a conference call?

MR. SIRLES: Sure. In the implementation of requirements if we were choosing to do the field usage of a certain field in one manner and there was a desire on the part of a CLEC to have the field usage in another manner.

COMMISSIONER HARVILL: Can you elaborate on that just a little bit?

MR. SIRLES: The population of information, let's just assume it's circuit ID just to pull one out of the air. Assuming that the debate is whether or not provision of a circuit ID is optional versus

mandatory and Ameritech feels it has a reason to require the field information and the CLEC would prefer not to have to populate it, then that has the potential to get to this kind of issue.

The other issue would be over-release testing where perhaps through running of the test cases through the test environment, the CLEC was disagreeing that the test case was actually passing everything it was supposed to do but Ameritech felt very strongly that every time the test case was run, it ran just fine.

COMMISSIONER HARVILL: Thank you.

COMMISSIONER HURLEY: Let's try and move along or we're going to be here for dinner. I promise my fellow Commissioners that we will revisit this issue again.

Mr. O'Brien, you wanted to move on with the change management process, transition plan.

MR. O'BRIEN: Thank you, Commissioner. This next issue seems a tad more straightforward.

At issue here with a transition plan, CLECs need to know how Ameritech contends to

transition the uniform 13-state CMP. The transition plan's component of the 13-state CMP, Ameritech has agreed to provide the plan and circulate drafts.

The remaining issue concerns time lines associated with the components of the implementation. And we were fairly hopeful that this one will not make it to arbitration.

COMMISSIONER HURLEY: I'm sorry, what was the last thing you said, Tom.

MR. O'BRIEN: That we think we're very close on this one. It's more an issue of timing and SBC simply getting the information out to the CLECs than it is that there's actually major sticky points.

MR. SIRLES: Glen Sirles with SBC/Ameritech.

Ameritech has presented the CLECs with a plan to transition to the new yet to be adopted 13 state change management plan. The plan outlines the elements of the new process applicable to the next two software releases and specifies complete implementation of the new plan with the March 2000 release.

The plan does address all of the

questions and concerns that have been raised to date we feel. And at this point Ameritech is waiting on the latest CLEC response.

COMMISSIONER HURLEY: Any questions?

Ms. Campion.

MS. ATKINSON: The next issue is the hours of system availability for SBC/Ameritech.

MS. CAMPION: Thank you. Good morning, Mr. Chairman and Commissioners.

My name is Joan Campion appearing on behalf of WorldCom. There is three functionalities, OSS functionalities, in dispute when we talk about the hours that the systems will be available.

First, is preorder, slash, CSR, customer service record, information; second, is what we refer to maintenance and repair and, finally, ordering. And what we're looking at are the hours that the systems will be turned on as opposed to being turned off. What I would like to do is address those issues and draw comparisons between what is proposed to be available here in Illinois by Ameritech, what is currently available in Texas and,

also, what's available for us in Bell Atlantic -- or excuse me, Verizon in New York.

First, with regard to the issue of access to preorder and customer service record information, there is really two areas of dispute. One is that we believe that as CLECs we should have access to those systems during the same hours that we have access to the ordering systems. So that if we're submitting an order, we ought to be able to access customer service record and preorder information. That is not the case based on the proposal that has been submitted by Ameritech for Illinois.

Secondly, we do not have access to preorder customer service record information or will not in Illinois on Sunday. We currently have access to those systems on Sunday in Texas and we currently have access to those systems on Sunday in New York. We would like it in Illinois as well. The business impact for us is that although we may not be selling on Sunday, although we do to a limited extent, there is still a lot of work that we as a CLEC do on Sunday. We have our service reps cleaning out



orders that have been rejected, submitting them again. We use those hours really productively to fix some orders that may have been rejected for one reason or another and we would like to be able to do that on Sundays but we can't do it if we don't have access to the customer service record and preorder systems. Again, we have it in Texas. We're not going to get it in Illinois under their proposal.

The second issue is maintenance and repair. We would like to have access to those systems 7 days a week, 24 hours a day. That's what we have currently in New York offered by Verizon. We do not have that in Texas and we're not going to get 24 by 7 here in Illinois. We would like that. We would like if a customer calls us at 3:00 in the morning because the customer has no dial tone, we would like to be able to submit a trunk ticket on that. And I would submit that if an Ameritech customer loses their dial tone at 3:00 a.m., they can call Ameritech and get someone -- get access to someone to report that trouble or loss of service. We would like to be able to do the same.

COMMISSIONER HURLEY: You must not be reading the paper this morning.

MS. CAMPION: And, finally, one more issue and I know I have run out of time. It has to do with ordering and when the ordering systems will be turned on. We would like that to be, again, 7 days a week, 24 hours a day just like we have with Verizon in New York. It's not being proposed here. It's limited hours. Again, we would like it 7 by 24.

And if I could just conclude by saying what we're talking about are computers. They don't need to sleep. They don't need to be fed. They do require maintenance. Our experience in New York is that that maintenance can be done an hour a month. The systems can be turned on for the hours that we are requesting that they be turned on and I -- and maintenance can be done and there ought not to be a problem with that. Thank you very much.

MR. GILES: This is Tim Giles from Ameritech.

The advised availability of any OSS function is dependent upon the availability of

various OSSs that supply that capability in the background. In Ameritech it requires multiple OSSs to make any particular function available and these are different systems than are used in Texas at the moment.

Dependent on the technology used to supply or underline that OSS, a differing amount of time is required off line to do tasks such as routine maintenance, data backup, software upgrades, synchronizing data bases. So 24 by 7 for most of our applications is not possible. It is possible for us to make in some cases improvements in availability and we're working to do that. Due to our traditionally not being open 24 by 7 except for maintenance, it has not been necessary to have all applications running 24 by 7.

As part of this collaborative, we did expand the hours of availability for maintenance and repair to, I believe, pretty close to 24 by 7. We're talking about maintenance and repair being unavailable only 4 hours a week with selected aspects unavailable another 8 hours a week. So

within, basically, 8 to 12 hours a week of being 24 by 7 on maintenance. In addition, our LOC will accept phone calls 24 by 7, including those periods when the OSS interface is unavailable.

For ordering, we have offered 6:00 a.m. to 1:00 a.m., not quite 24 by 7 but we believe we're getting pretty close. Ordering and preordering do not match, I agree. The reason there is the availability of those two functions is because they're driven by different OSSs. There are different OSSs that come into play in determining the availability of those two functions.

Additionally, with ordering we have the opportunity to queue transactions if required to prevent additional availability, which you can't with preordering.

Specifically, with regard to preordering on Sunday and access to customer service records, this issue, like many of them, we're going to continue to talk about. There is continuing work in progress. We hope to be able to offer some sort of Sunday availability before we actually end up filing

on this issue, so we continue to work on that.

COMMISSIONER HARVILL: Could you list for me what exactly the hours you are offering for the three, preordering, maintenance and repair.

MS. CAMPION: Commissioner Harvill, if I may interrupt. I actually have a sheet of paper I can hand out to you that provides the hours of availability for each functionality for SBC/Texas, Verizon, New York and what was proposed here in Illinois. I didn't know if handouts were allowed.

COMMISSIONER KRETSCHMER: While that's being done, Mr. Giles, may I ask a question.

Are people needed for any of these tasks that we're being told the CLECs want 24 hours a day? Do you need actual people there or is it just all computers?

MR. GILES: In other words, do we have to have people there in order to make preordering available for certain hours? Is that the question?

COMMISSIONER KRETSCHMER: Yes. If Ms. Campion said it was only computers who don't have to be fed or anything else. Do you need people

in addition to computers for these functions?

MR. GILES: They're not people specifically performing a function in response to preordering.

COMMISSIONER KRETSCHMER: I mean --

MR. GILES: However, if we make the system available, then we then have to have people available to monitor and operate the computers during those periods to safeguard against the system going down or whatever.

COMMISSIONER KRETSCHMER: So you do need at least a small number of people to watch the computers?

MR. GILES: For data center operations purposes, yes, it would be required.

COMMISSIONER HARVILL: Let me ask you this question: Can you define for me, just so I have a clear understanding and it is on the record, what you mean by preordering, in your mind?

MR. GILES: By preordering I am referring to our OSS preordering interface that includes access to specific data basis where information might be retrieved in the process of constructing an order

like validating an address, selecting a telephone number, confirming the availability of a due date, access to a customer service record and existing customer service record.

COMMISSIONER HARVILL: So if, for example, I were a current local customer of Ameritech and Ameritech was my only service provider and I wanted to switch to another provider, they would need access to that information prior to ordering the service?

MR. GILES: In many cases there is an option or ability to place an order without access but it would enhance or make it -- simplify the availability to create that order, yes.

COMMISSIONER HARVILL: I am just wondering because as we move into more competitive markets for local exchange service one of the potential benefits might be that CoreComm has hours that are 24 hours a day and I can order at 3:00 in the morning if I get the urge for whatever reason. And then, obviously, if they're limited by the hours, that could potentially create a kind of disadvantage. I know these hours are probably beyond the hours that

Ameritech's phone numbers are available.

The other thing that I was wondering, have you taken into consideration people living in California who may be moving to Illinois and wanting to order phone service, you've got a three-hour time difference there as well.

MR. GILES: Yes. In constructing, for example, our 6:00 a.m. to 1:00 a.m., we tried to take into account that there are people who may be operating in California serving customers.

COMMISSIONER SQUIRES: I guess what I don't -- I need some clarification on from Ameritech is you're going to either -- saying it is computers, you're going to have 24-hour availability for your own computers but you cannot have anyone's available to maintain the computers for the CLECs and why not?

MR. GILES: No. If that's the way it came across, then I said something incorrect.

Our systems for our retail operator since ours are not available 24 by 7, it's not the situation that we are using them internally and then not making them available. It's that we do not run



24 by 7 and our systems are not available 24 by 7 and that's what's in turn driving the availability that we're advertising.

COMMISSIONER SQUIRES: You're offering CLECs exactly the same hours that you have?

MR. GILES: There are differences. In the case of ordering, for example, the hours are actually longer. We're using the ability to queue orders to make the interface available. Longer hours than the underlining OSS are actually available.

In the case of maintenance and repair, a small part of unavailability is due to the fact that we have an additional application inserted between our OSS and CLEC users in order to bring our OSS to a standard appearance. It does effect availability. That's the four-hours data base maintenance window on Sunday a.m.

COMMISSIONER HARVILL: What would occur if I have service under another provider and my phone stopped working and I called and the system wasn't available, would that maintenance and repair order be cued up as well so that once the system goes back

on, I can be processed immediately? What would happen for a CLEC?

MR. GILES: During that eight-hour period that the maintenance and repair interface is unavailable during the week, they would have to use a phone call or fax.

COMMISSIONER HARVILL: But they can do it manually?

MR. GILES: Yes, they can do it manually.

COMMISSIONER HARVILL: Nancy, let's move on.

MS. ATKINSON: The next issue is related to the interface development rule for the detailed specification requirements.

CLECs and SBC disagree upon the level of business for rules or specifications to be provided by SBC/Ameritech per the merger order during this current Phase 2 collaborative process.

I'm going to have Bill Davis from AT&T represent the CLEC position on this item.

MR. DAVIS: Thank you, Mr. Chairman. I am Bill Davis with AT&T. You may be asking yourself what a lawyer is doing talking about something called an

interface development rule. That's sort of the same question I am asking myself as I sit here this morning.

Actually, the issue surrounding this topic, as I think evolved as we discussed in the collaborative, has become less a technical issue and, I believe, more a process issue. Let me just briefly tell you what it is, why the CLECs want it and where I believe we stand with respect to SBC/Ameritech on the process questions.

What it is, we started this collaborative with a list of probably 100 issues between the CLECs and SBC. It mainly surrounded questions of what kind functionality is going to be made available, when and on what basis. And as we tackled those issues, I think we came to the realization that as to many of them you don't really know what you're going to get in terms of functionality until you see the actual release specifications because these are machines, computers talking to one another. And unless you get the field right, the data elements right and the required elements agreed upon and

whether they're alpha numeric or -- unless you get all of those very painfully detailed questions sorted out and understood, you don't really know what you're going to get.

So we have all the same -- we think that's a Phase 2 issue in this proceeding but practically speaking there is no way to get that Phase 2. So on proposal was for SBC/Ameritech to make available to us those release specifications. We go to a discussion period, collaborative -- brief collaborative period, if you will, and then any disputes would be resolved in the context of a Phase 3 arbitration, which is already on the books under this Commission's merger order.

I believe we are now pretty much in agreement that those specifications were being made available and I am interested in Mr. Sirles' reaction. And I believe we're in agreement that there should be a process available to resolve differences if they arise in the context of discussing those release specifications. I think our differences now are pretty much centered on what

that process looks like, how fast it is and who does it.

As I said, we have proposed the Phase 3 collaborative dispute resolution process before the Commission. I think SBC is saying they think it should be faster and it should be done before the third-party commercial arbitrator. I guess our position would be that we should offer the issue to this Commission. After all, we're going to gain a lot of experience of these issues over the next six or eight weeks and still we would propose to offer it first to this Commission if this Commission for whatever reason declines to take the arbitration, then we would be certainly willing to go to a commercial arbitrator then.

So I think that's where we are. I'll let Mr. Sirles speak to it or characterize it differently or Mr. Giles.

MR. GILES: This is Tim Giles.

In the normal course of system development there is a sequential progression of detail from the initial idea or business need

through business requirement, system design, coding specifications and then eventually the code itself.

During this collaborative process we have been generally discussing what would be considered business requirements or the needs of the business that must be met by the delivered system or application. In certain instances those specific issues have required that we take the discussion down to a lower level and we have attempted to do that where it was needed.

Though the specifics may vary, almost any software development process allows for a period of negotiation between business and the providing organization. Then on a sort of interim basis, again, specification points, we built into our change management process a review by the CLECs between initial and final requirement.

There's been some concerns expressed about the possibility of dispute that might arise at that specification point. We generally feel that there are adequate safeguards and mechanisms in place to deal with that kind of dispute should it

arise. However, as Bill said, I think we have agreed that if there is a feeling that an additional mechanism is required, that we would like to talk about how that might happen. We have to recognize the timing of when that would be. Being as we would be delivering specifications around the first part of October allowing for a two- or three-week review period, that would be the point at which we would potentially have an issue that would need to be resolved.

So we do have some concerns about how we deal with what might be very technical detailed issues about specifications and do so in a timely enough manner to keep the development on track for release that would go into CLEC testing in the later part of January. It would be in late October, November trying to resolve issues potentially on a release that would be coming out just a couple months later.

COMMISSIONER HARVILL: Can we put you both on an island and let you fight it out, whoever wins? Sorry.

COMMISSIONER HURLEY: I originally thought that this one was really sort of a leftover required interpretation of our order but it sounds like --

MS. ATKINSON: That was raised at one point in the discussions.

MR. GILES: I guess -- I think you're touching on an important point and to me there's a difference in the way we view this.

COMMISSIONER HURLEY: I never suggested that our order was that clear and concise.

MR. GILES: In this respect we think it is pretty clear that the Commission order that the system enhancements that SBC/Ameritech undertakes be industry standards as they evolve from time to time. So I guess what I am saying is we don't think you could ever answer that question until you get down to this level of specification. You can't answer these at the 50,000 foot level. So that's why we do things tied to your merger order and not some other change management industry thing. I think we won't get to the point where the Commission would say our merger conditions have been met and they're at



standard until we go through this process.

COMMISSIONER HURLEY: That's a tough one.

Nancy, let's go forward.

MS. ATKINSON: The next issue is related to Customer Service Record Lite Address Validation. This is related to the preordering ordering -- this is related to basically when an order is received by SBC/Ameritech, validation rules are applied to certain fields.

Specifically, this issue focuses on the request by CLECs to relax validation rules that apply to address fields on migration orders and Joan Campion is going to speak on behalf of the CLECs.

MS. CAMPION: Thank you very much, Nancy.

There are two issues here with regard to this issue. And let me first say that we are delighted that we were able to reach some agreement here on relaxing the address validation with regard to certain types of migrations.

One issue is -- and I am speaking on behalf of Covad on this issue because they could not appear -- one issue is that it's limited in the

applicability to product offerings, specifically line sharing orders and xDSL orders. In other words, the address validation will not be relaxed for those types of orders and Covad wanted me to indicate that that is an important issue for them and they would like to pursue that.

COMMISSIONER HURLEY: Why is it an important issue for Covad and apparently no one else? Is it just from their data base or something?

MS. CAMPION: Well, I think Covad obviously is in the xDSL market at this point perhaps more than others but I think it also is an issue for Rhythms (phonetic) and other carriers. I say that only because Covad made a specific request for me to say that, so that's why I indicated that but I would say it's really an issue for all carriers as well.

MS. ATKINSON: And just because there's a name on this list, it's just indicated who would dispute it in a formal process. It's not saying other carriers don't take issue with it.

COMMISSIONER HURLEY: Great.

MS. CAMPION: And the second issue is one of

timing and it's very important to a number carriers including WorldCom where SBC/Ameritech says that they will implement this for migration orders effective December 2000. We believe they could do it sooner. We would like them to do it sooner.

And let me give you an example. When WorldCom entered the residential market in Texas, when we entered the market where we did not have a relaxation of address validation, our reject rate was about 50 percent. When SBC implemented the proposal we have here to allow migrations based on working telephone number only, our reject rate went below 20 percent. So it has a real business impact.

And the second point I would raise is that you recall that SBC initially withdrew its 271 application that the FCC had refiled. When it refiled, this was one of the fixes that they proposed and they proposed to do it, I think, in about a month. So our point is we think they could do it sooner. We would like them to do it sooner than December. As a practical matter we understand that by the time we get through this arbitration,

there might not be that much of an impact here but I can tell you that every month would matter.

COMMISSIONER HARVILL: Can you define what you mean by address validation and what you would like to see as far as relaxing the address validation?

MS. CAMPION: Well, actually what is proposed here is what we do want to see. In other words, that orders -- migration orders will be processed without having to have a correct address. They will be processed based on telephone number only, which is a good thing and something that we want indeed particularly since we don't have the par CSR available right now and also because their data bases aren't synced up. It allows migration orders to be processed just based on working telephone number to identify the customer rather than having the correct address put on the order.

MR. GILES: First, I would say that the Texas experience is not necessarily directly translatable here because we're starting from a different point. The validation and its own address are a little bit different at Ameritech but we do -- have accepted

this as a desirable thing the CLECs have implemented.

The question raised by Covad is the applicability of the address relaxation to line sharing orders. We have not refused to do that. It was raised relatively late in the collaborative and we're still examining the technical feasibility of doing that.

So, again, I hate to sound like a broken record on this but I think there's still hopefully every opportunity that we will close this before it becomes an issue that needed to be considered by the Commission.

I do want to add, though, that the address validation was something that initially even Ameritech did not have in very early days. It was instituted as a double-check to the phone number because that being the sole identifying piece of data that was passed along as part of a migration was -- in cases where perhaps digits were transposed was causing customers to be switched incorrectly. And it was instituted as a safeguard, as a second

item to be as a double-check. So we are -- had initially proposed doing this in a way where the address would be optional and encouraging people to still include it but after further discussions we're convinced to not require it at all.

COMMISSIONER KRETSCHMER: I am not sure this is a good idea. How do you bill your customers if you haven't got the right address?

COMMISSIONER HURLEY: But you have got to understand. I have been briefed on this issue. This is interesting. For instance, if the address was 2800 Lake Shore Drive, Chicago and it came in as 2800 North Lake Shore Drive, Chicago, it would be taken off because of the north even though there is no 2800 South. Is that how it works? This is really a technical -- it is highly technical.

MS. CAMPION: Highly technical but it's just for purposes of getting the order processed.

COMMISSIONER KRETSCHMER: So you do know where your customers live?

MS. CAMPION: Yes. It's just for getting the order processed and this eliminates the need to have

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COMMISSIONER KRETSCHMER: I think some accuracy is needed for Ameritech.

COMMISSIONER HURLEY: That's sort of the whole problem on this one because addresses can be sort of stated differently.

MS. CAMPION: Is it could be a-v-e, period, for some customers or a-v-e without a period for others.

COMMISSIONER HURLEY: And sometimes you use street and sometimes you don't at all.

COMMISSIONER KRETSCHMER: If there is not a period after a-v-e, it is kicked out?

MS. CAMPION: Yes.

COMMISSIONER KRETSCHMER: That seems a bit extreme.

MR. GILES: That's part of the standard as to whether or not periods should be included. That's not an Ameritech dreamed up requirement. I will add

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MS. CAMPION: It is just a practical problem.

MR. SIRLES: Also, understand that there's a way to get it. So, I mean, you can view it before you

pass it to us but it is sometimes that often times what's viewed is not always populated correctly. So, once again, this is not a philosophical debate.

MR. GILES: We recognize the difficulty in arriving at a mutually agreed upon version of the address. Being a wire-based network the address is critical to us know where we are trying to run service. Customers don't always express their address in the same way that the post office knows them or the telephone knows them or the 911 data base knows them.

This is only one among a number of enhancements that we have done or are considering to try and deal with issues in terms of being able to better communicate addresses between us. We have recently a couple weeks back implemented a preordering enhancement to our preordering address validation for that reason.

COMMISSIONER HARVILL: One comment and one question.

The comment is I was on CoreComm's website this morning and they are allowing people to



sign up for local phone service and there were different fields for the street number, the street name. I think there were 26 different avenue, street, road, loop, lane, different specifications as to what type of street it was or whatever it was.

The question I did have was something that I think Joan has touched on very briefly is the issue of the dual data bases.

Can you elaborate on that and if that would present any problem at all?

MR. GILES: Ameritech does maintain multiple data bases and versions of customer addresses. In particular the one that was mentioned was a situation where we have a general data base for validating the address that may change over time as streets are renamed or we learn more about what are valid addresses or not.

Once an address is recorded and assigned to a particular service and becomes part of that customer service record, it is possible for that underlying address to change in the general address data base but not change in the customer service

record data base. So this edit makes that not the CLEC's problem but ours.

COMMISSIONER HARVILL: Thank you.

MS. ATKINSON: The next issue is related to flow through which is defined by the performance measure collaborative related to OSS as any order that is electronically received from a CLEC and processed through Ameritech's ordering interface into their back-end service order system without manual intervention.

And on this issue Tim Connolly will represent the CLEC position.

MR. CONNOLLY: When a CLEC's electronic orders are received in Ameritech's interface, they are processed against a set of screens that determine whether or not the order is of a type that is eligible for flow through. There is a precise list of those and attached to that list are some exceptions that apply for which an order that would otherwise flow through if it meets any of these exceptions would not flow through.

And not flowing through orders are those

which are processed in Ameritech's service center by their service representatives that look at the CLEC order, determine what service orders to generate from that order and reprocess those orders into Ameritech's system. So it is an extra set of steps that take time, that take people, require training, present the opportunity for errors and delays because those people need the time to do that work and also just presentation of the human factor creates error potential.

Ameritech has identified in two lists for us, of course, in the collaborative, the list of order types that flow through and the exception lists. We have looked at those and see that in their July 28th's release there have been of the 50 resale exceptions, they have reduced that down to 26. So there was a lot of progress on the resale side in July. However, in all of the facility types of orders, there has been no change in what's flown through since the end of June until the end of -- until today.

There are two items on the Ameritech list

of changes that they have proposed to be implemented between now and the end of the year that generally describe changes that will then implement and to effect flow through. We don't know what those are. We believe that they involve UNE, unbundled network element, orders but we don't know the extent to which they remove a lot of exceptions, one exception or however many.

What the CLECs want is a commitment and a visibility to what orders flow through by type, what are the exceptions that apply. And we like to see that the commitment be made to reduce by by 50 percent the exceptions that fall to UNE orders like Ameritech implemented for the, essentially, 50 percent of exceptions that they removed for resale. We would like to see that program institutionalized so we can get flow through to the same levels that retail enjoys as quickly as possible.

MR. SIRLES: As Mr. Connolly said, we did recently enhance resale flow through July 28th. We do have some significant advancements planned for deployment later this year that touch facilities and

the detailed requirements of those will be released very shortly but it does get to the unbundled network element environment for the common types of ordering for those network elements.

Ameritech has a very vested interest in continuing to create flow through. I mean, it's our efficiency tool so we do it as a matter of practice and we are committed to do it as a matter of practice.

We did try and lay out what we knew was on the horizon for flow through at this point. What we were unable to do is give specifics of what exactly is planned for the future. The reasoning for that really is that we have to watch the performance measurement. We have to see the benefit of the enhancements that we will deploy through the balance of this year.

While we can conceive of other types of flow through, we may miss the mark. And we won't know that until we actually start continuing to see performance measure data which we are looking at. We will target flow through based on what's

necessary to assure that we're achieving the performance measure. It is also our feeling the performance measure did take care of the numerical commitment that the CLECs were asking for.

COMMISSIONER SQUIRES: Could you please speak up.

MR. SIRLES: Yes. It was also our feeling that the performance measure took care of a numerical commitment that the CLECs were asking us to put into the plan and, therefore, was not necessarily something that needed to be dealt with.

COMMISSIONER KRETSCHMER: Is there a reason why you have been able to flow through resale product but you're unable to do this with facilities based carriers? At least that's the impression I get from the statistics I see.

MR. SIRLES: All based on where the market was at the time when we started the development of the flow through enhancements and because it was predominantly resale, the concentration was on improving flow through for resale.

As the market has moved, we have also shifted our focus to the development of flow through

for unbundled elements and we will be placing those enhancements in over the next several releases and that effort will continue.

COMMISSIONER KRETSCHMER: You said over the next several releases. What does that mean in periods of time?

MR. SIRLES: That means by the end of this year.

COMMISSIONER KRETSCHMER: In the mean time, you are hindering the facilities based carriers from being competitive because they can't get their orders to flow through in a timely fashion?

MR. SIRLES: But the time intervals for due dates are really unchanged and no different between whether the order is mainly touched or whether it is totally mechanically handled. There is an issue that's always there of quality. Any time you have to manually touch something, Ameritech is keenly sensitive to that. And that is another reason why we are developing the flow through that we do have planned.

COMMISSIONER KRETSCHMER: Thank you.

COMMISSIONER HURLEY: I'd like to move forward.

As evidenced by the clock, it's 11:30 already and I had suggested that we might be able to finish this up in two hours and it looks highly unlikely at this point.

I suggested to Ms. Atkinson that we bypass a couple of these issues that are simply timing issues. The Commission is aware of the timing issues and, also, I believe, on billing account numbers, I have been advised that's nearly resolved --

MS. ATKINSON: Or at least still working on a process.

COMMISSIONER HURLEY: I know the next issue is a timing issue, so why don't we move onto DSL loop qualification.

MS. ATKINSON: Actually, the next one I have is dark fiber, copper inquiry process and Rolando Palacios is going to speak on this issue.

MR. PALACIOS: My name is Rolando Palacios and I am with RCN.

The objective and collaborative as we understand it was to develop or enhance operations



support systems used by CLECs. In an ideal world, we can order dark fiber as easily as we order copper. However, because fiber is not as ubiquitous as copper, before we place an order for dark fiber we have to make an inquiry as to its availability from Point A to Point C. An inquiry process SBC has offered consists of submitting an ASR or an Access Service Request. An ASR is also what we use to place the order for dark fiber itself. In effect, we have to place an order before we can place an order.

RCN is requesting that an OSS be developed allowing us to enter the A location and the Z location and the system will return whether dark fiber is available for ordering.

The second part of that issue has to do with copper availability. Because we cannot serve SBC customers who are served by an integrated and digital loop carrier, RCN would like a similar interface where we can specify an address and determine if copper repairs are available or whether the address is served by digital loop carrier.

MR. GILES: Addressing, first, the dark fiber portion of the question. Today we offer an inquiry process for determining whether we have dark fiber available between two points. As Rolando pointed out, dark fiber isn't nearly as ubiquitous as copper and the circumstances under which we offer dark fiber require that we determine not only is there fiber between two locations but is the quantity of fiber available in excess of our maintenance requirements or our forecasted growth over the next 12 months. So there is a manual step of determining is the amount of fiber available such that we have truly spare fiber that can be sold as dark fiber.

Additionally, we're talking about something that runs between primarily like buildings in a downtown area and in some cases it is necessary to physically inventory how that fiber has been used before we can confirm to a requesting CLEC that it is truly available. So the process is an inquiry. We then take in and do in some cases a significant amount of manual work to determine whether or not we can offer dark fiber.

As far as the availability or location or knowledge of whether or not a digital loop carrier is available to serve a particular location, as part of this collaborative we did offer that there is a web-based access to a location of terminals that will be constructed as part of Project Pronto and we're still looking at whether or not we can find an OSS means of supplying a location for DSL other than Project Pronto based terminals.

COMMISSIONER HARVILL: How long does it take for Ameritech to determine whether dark fiber is available?

MR. GILES: We have established a standard interval of 10 days to respond to that kind of inquiry.

COMMISSIONER HARVILL: And you're maintaining that's too long?

MR. PALACIOS: Yes.

COMMISSIONER HARVILL: What would be -- I mean, if you couldn't get instantaneous through OSSs, what would your fall back position be, something less than 10 days?

MR. PALACIOS: I think 24 to 48 hours would be reasonable.

COMMISSIONER HARVILL: Thank you.

MS. ATKINSON: The next issue is related to DSL loop qualification. Covad is not here to represent their position but they have provided a written handout. That handout was outside the door here and it's quite lengthy so it's not going to hit the two-minute window.

COMMISSIONER KRETSCHMER: Do we have copies? I didn't find one on my desk.

MS. ATKINSON: I think they came right before the meeting, so I think we can give them to you.

So we're going to skip over that and move on to the DSL loop qualification, the information update process. Tom O'Brien is going to speak for CoreComm.

MR. O'BRIEN: Mr. Chairman, Commissioners, I'll be brief on this one. The DSL loop prequalification data base is being populated through manual processes. The information exists -- you know, exists on paper and it exists in different forms

throughout the Ameritech region. It's going to be a heavily manual process and there's no disparagement here at all. The manual processes will have errors.

The CLECs are simply asking for Ameritech to put into writing the process by which errors in that data base when they are discovered may be remedied and some associated time lines with implementing those remedies.

I do not believe there is a disagreement in principal on this. I think we are simply awaiting the document to see it and get it worked out, so I am hopeful this too will go away.

MR. GILES: In general, it is a business practice within Ameritech that all employees when they encounter an error do whatever is required to get that error corrected. We don't, per se, have a written policy for the correction of errors under every circumstance. But in response to this issue, we are attempting to develop a written policy that we can provide the 1st of the month and I too hope it goes away.

COMMISSIONER HURLEY: Thank you.

MS. ATKINSON: The next item is related to cooperative testing. NorthPoint Communications has provided a written statement that Joan Campion will read on their behalf.

MS. CAMPION: On their behalf, so we're clear on that. I suppose if any carrier should be doing it, it should be Verizon, I suppose, but since they're buying them but I'll take a stab at it.

NorthPoint has had the following problems with SBC/Ameritech. One, SBC/Ameritech has not reliably provided DSL capable loops. Second, SBC/Ameritech fails to consistently provide NorthPoint with demarcation information, which is the requisite information regarding where NorthPoint can locate the loops once they have been provisioned by SBC/Ameritech. And, third, SBC/Ameritech -- the syntax is terrible here -- prematurely close out trouble tickets which cause NorthPoint to submit multiple trouble tickets on the same orders.

NorthPoint and Ameritech have identified cooperative acceptance testing as a remedy to solve all of these issues. Unfortunately, Ameritech is

not yet performing cooperative acceptance testing to our satisfaction. Currently, Ameritech does not perform cooperative acceptance testing on most of NorthPoint's orders.

Cooperative acceptance testing is the process whereby the ILEC test technician turning-up a DSL capable loop contacts the LOC and the CLEC and the three conduct a joint test to confirm that the loop is working to mutually agreed upon or Commission mandated standards.

Acceptance testing is essential if CLECs are to effectively compete in the DSL market. NorthPoint needs demarcation information and a reliably provisioned loop to ensure that its customers know when their DSL is going to be installed in their home or business. Furthermore, NorthPoint needs reliably provisioned loops in a timely manner so that it can compete in the marketplace.

Fortunately, NorthPoint and Ameritech have entered into negotiations but it is not clear whether the agreement is acceptable to both sides.

However, the agreement has not yet been reduced to writing. Until it is, NorthPoint respectfully requests that the Commission keep this issue on the open-issues list with the understanding and expectation that as soon as the issue has been resolved, the parties will quickly remove this issue from the open-issues list.

Thank you and I will not take any questions on this.

MR. GILES: Through the course of this collaborative, we have engaged others at Ameritech in product management and in account management to attempt to address NorthPoint's concerns with how we have executed on cooperative acceptance testing on NorthPoint's order.

We have identified areas to be addressed and are working on those and have very recently been talking to NorthPoint about monitoring specific orders and attempting to -- and trying to determine where we have made the necessary improvements. As they said, we're waiting to see whether or not the issue can be closed.



COMMISSIONER HURLEY: It sounds like you're pretty close so let's move onto something else.

MS. ATKINSON: The next one is unsolicited 865 transactions. What these are are provider initiated reply transactions sent to CLECs from Ameritech to communicate a change of information on original order confirmation or to signal a change of status on an order.

On this issue, Tim Connolly from AT&T speaking on behalf of the CLECs.

MR. CONNOLLY: The 865 transaction -- let me start this way: In a CLEC order, a purchase order across the EDI interface is an 850 transaction. This is according to the standards established by the American National Standards Institute and incorporated by ATIS.

An 855 transaction responds to that 850 transaction and provides a firm order confirmation or rejection. In the case here, it's the confirmation that's important. That confirms the due date and the services that the CLEC has asked for to be a provision on its behalf.

When there is a need to make a change in that confirmation, Ameritech's systems through its service center interactions generate the 865 -- the unsolicited 865 which serves to update, provide a status change but communicate with the CLEC about the status of that previously established confirmation.

It's critical that the CLEC be able to match that restated confirmation with the order that it was -- that it sent initially. When we have the case of complex orders where there are supplements issued -- and a supplement being a change by the CLEC to the original order -- we have multiple versions of that order in play. A CLEC may have five or six or ten of them. Each of those are important to be able to speak specifically with the customer who's making the changes while the CLEC is still trying to get the original order implemented.

So each one of the changes that are provider initiated need to be matchable to the order that the CLEC has in its queue. The details that Ameritech provides in the unsolicited 865 are

insufficient to perform such matching. The CLECs need to have the critical details of the purchase order number and the version and the other critical data elements provided in the unsolicited 865 in order to make the unsolicited 865 transaction apply to the opposed order.

COMMISSIONER HURLEY: As simple as that?

COMMISSIONER KRETSCHMER: What do you want them to do, just in a sense?

MR. CONNOLLY: Provide the data elements that allow for us, the CLECs, to match the unsolicited 865 with the order that was originally sent.

MR. GILES: First, let me express my admiration that you did that in two minutes.

The 865 transaction, this informational transaction that we use between firm order confirmation and order completion, we believe is a critical component in going forward to get away from as much manual communication that takes place during that period and more to an electronic means of exchanging information with the CLEC. So we are interested, very interested in working to make sure

that we can both make use of that transaction.

The difference that we have -- it boils down to the use of a single field. The underlying cause is that from our perspective and as it existed in our systems, we have a single order regardless of how many times it's been supplemented and corrected that we are responding to. It may have been corrected multiple times but it is a single order. And at the point that we are sending one of these unsolicited 865s, we are responding to that order. Just like when we completed the order, we would be responding to that one order regardless of how many times it may have been corrected or changed prior to the completion.

This concept of responding to a particular version is problematic. And as I say we view it as a single order, we have a single order image in the provision process. And we are not responding to a particular version but to the order and itself.

COMMISSIONER KRETSCHMER: I think that's reasonable. I remember this issue now. It seems to

me that having a given order number and having that remain constant is logical. Could we use the same order number and not have it be 1A or 2B whatever it is. It does seem to me that the tracking would be easier for you if you had an order number appear and everything flows through that order number. It seems logical.

MR. CONNOLLY: But the order number that the CLEC begins with is that each time it is supplemented, it essentially changes that order. There is a suffix added to that order number that uniquely identifies it as the next sequential supplement. And that's the data that the CLECs want returned in any of these additional confirmation updates is the order number plus the suffix.

COMMISSIONER KRETSCHMER: Are you using the same number so that their system can track it?

MR. CONNOLLY: We provide it with the supplemental order, the order number, plus the suffix.

COMMISSIONER KRETSCHMER: What is the suffix? Is it an A, a B or a C?

MR. CONNOLLY: It's incremented by one character or one digit each time another supplement is provided. That's given to Ameritech. What we want is the same information back in that next updated status.

COMMISSIONER KRETSCHMER: Is this done by a computer? Would throwing an A at the end of a number upset your computer?

MR. GILES: In some cases it's done by computer and in some cases it's done manually. It's not so much throwing that A or B on there but in some cases throwing the A or the B or the C on an order that has had that many versions, going back perhaps if we are operating on Version C and in some cases they would like us to be saying A or B for that same order.

COMMISSIONER KRETSCHMER: I think you should be able to work this out but I have some sympathy for having all of these different sheets with different numbers or suffixes.

MR. GILES: I would point out based on our statistics -- and I'm still dealing with rough

numbers -- that only about 12 percent of our orders are supplemented and only something in the neighborhood of a couple or 3 percent are supplemented more than once.

MS. ATKINSON: We're going to move onto the next item which is related to hot cuts.

COMMISSIONER HURLEY: We're going to combine these.

MS. ATKINSON: We're going to combine these two and talk about them at the same time. We'll ask Mr. Finney --

COMMISSIONER KRETSCHMER: The two hot cuts are going to be combined?

MS. ATKINSON: For purposes of this discussion, yes.

MR. FINNEY: Good morning, my name is Scott Finney and I'm with with American Telephone & Telegraph. It is true that the hot cut team --

COMMISSIONER HURLEY: Mr. Finney, you have to speak into the microphone.

COMMISSIONER KRETSCHMER: Could you spell your last name, please.

MR. FINNEY: F-i-n-n-e-y.

The sub-team that was working on the hot cut process has made some significant progress in certain areas of the whole cover procedure. For example, on the area of emergency restoration within 24 hours of a provisioning event, we have come to agreement and principle on a way to care for those customers whose provisioning failed immediately after the cut over.

We have also made progress on increased active coordination of its cutovers, modification on the cut sheets, which is the means that's used to communicate which orders get processed on which due dates and so forth.

We have also accepted, as a CLEC community, additional restriction on the timing of when we can issue supplements, the information that's required on cut sheets and so forth in order to make this process work. And, further, we have accepted and expanded the due date interval to support this process of five days from the time we submit the order.



So in those areas we have, indeed, made progress. However, in the fundamental area of validation of the physical and logical connections between the CLEC community and Ameritech, we have a huge gap in terms of the dial tone and ANI testing.

From our perspective it's really the linchpin of this entire effort that the physical and logical connections need to be validated in advance of the cut over and done in a manner that is timely and allows corrections to be made in advance of the cut so that the emergency restoration procedures that we have in place do not need to be invoked in the first place.

The current offer of using a separate interconnection agreement based dial tone ANI testing is simply not acceptable to us. It has some inherent communication flow issues. For example, it requires us to fax a list of orders that would like this dial tone testing to be performed and that information be faxed back to us. And faxing sheets back and forth of incorporations is not a timely way to communicate this information, nor does it imbed

the whole notion of validating the wiring and the physical and logical connections into the process. It really from our perspective is an after-the-fact approach and increases everyone's cost.

I would also say that for the past year we have shared with Ameritech the procedures that we have worked out with SBC in both Texas and California that does, indeed, imbed these validation tests in the general overall process available to all newcomers and provides for a timely response, generally within one hour. And it does so with a shorter interval of three days for orders. So we remain at odds on this critical dial phone ANI testing portion of the hot cut procedure.

MR. GILES: The hot cut process that is proposed at the moment was developed in a collaborative fashion as a consensus process. And it is a consensus process to build that process. We have to meet the needs of multiple CLECs and it is a cooperative arrangement. It's coordinated testing that require, for example, for dial tone testing, for us to be able to do it that the CLEC in turn

commit to being able to provision the dial tone in a certain amount of time in advance of the cut over process commitment to testing and not all CLECs have been willing or able to commit to doing that.

So Mr. Finney is correct that at the moment the process does not include as a general attribute to the process to do dial tone testing. However, we have offered and will arrange, as he described, to do the dial tone testing on a per CLEC basis.

In general, this collaborative process has been running a little over two months and went through seven meetings and at the last meeting on July 18th, it was Ameritech's understanding that we had arrived at a consensus agreement on the process while there is still issues to be worked that it was suitable to be posted and implemented. It has now been posted and it is our desire and the desire at least to some of the CLECs that we do implement it in September.

With that said, we continue to work on any remaining issues. There is another meeting of

the sub-team scheduled for August the 18th specifically oriented at discussing the desired framed due time provisions of the process but there is certainly a willingness on our part to continue the talking. However, at some point you decide you have a suitably enhanced process to put into play and see how it works and then maybe continue talking about further enhancements.

MS. ATKINSON: We're going to skip past the billing account number issue.

COMMISSIONER SQUIRES: I have a question.

The hot cut, is there any relationship to that at a 24-hour, 7 day issue in that while a person is involved there is more than likely a computer needed? And if it is not available, what do they do if there is a relationship there?

MR. GILES: I don't think so, per se. It's not so much availability of computers. It is availability of people. We need technicians. Both of us need technicians. We need to have people available at both ends to literally coordinate the hot cut.

MR. FINNEY: This is Scott Finney from AT&T. I would agree. This process is largely a manual process. It requires human intervention throughout the whole procedure.

MR. GILES: Right.

MS. ATKINSON: We're going to move to the directory listing ordering and inquiry as well as the retain current listings items.

The first item Item A under directory listing ordering and inquiry is basically a timing issue so, Tim, if you could focus on Item B.

MR. CONNOLLY: I shall and I shall be very brief.

The directory listings that are a part of the unbundled network element loop order currently provide separately a separate interface to Ameritech and the directory order is spun off to the directory subsidiary.

Once that happens Ameritech does not have that information in its system. They are going to implement a system whereby the loop order can be integrated with the directory listing order. And then once that happens, what the CLECs want to be

able to do is retrieve that directory listing information from the same interface that obtains all other directory listing information and not have to maintain a separate directory listing inquiry system that is fed into the directory advertising subsidiary. One interface, one type of information makes sense to the CLECs.

MR. SIRLES: The directory listings today for unbundled elements, especially stand alone loops, are contained in the system of Ameritech's directory subsidiary.

As part of the collaborative, what we have done is arrange to build a new process where those listings can be taken in via the order directly to the Tel.Co. and sent over to the subsidiary. Once that is done, that information is retrievable. There is an imbedded base of listings, however, that is in there today. All listings are available through the directory service's interface, the directory service's subsidiary interface.

In addition, any listing that will be available in the Tel.Co. systems will be available

through the directory inquiry from the Tel. Co. systems. What the dispute is and the request from the CLECs is to build then a link from that Tel.Co. interface to the directory interface so that listings could be pulled from one place. This is not an uncommon problem. There are multiple companies with multiple directory affiliates across the country. SBC does have others. We have this arrangement and it has proved workable in other territories. This really gets to an issue of just how much do we need to do to ensure that we have a workable environment for all parties. This is a complex linkage that would need to be billed and one that we simply didn't feel was necessary to be built.

COMMISSIONER KRETSCHMER: Is this an issue that is going to continue or will it go away once the system is in place? Because if it's a short time problem, you know, that's one thing. If it is a long time problem and it really is going to create a timing issue for the CLECs, then that's a different issue.

MR. SIRLES: The way the plan is built currently is this would go on for information that was passed to the directory sub on those loops, stand-alone loops, where they retain a directory listing. Then all that could be passed to the Tel.Co. on an order to actually query it to see what existed today for the listing. That would be done through the separate interface.

COMMISSIONER KRETSCHMER: Mr. Connolly, how important is this issue? Apparently, it is a long-term issue?

MR. CONNOLLY: Once an UNE loop customer has been put on and their directory listing is in this other data base, they are just as likely to want service on that loop to buy other services, perhaps ask about their listing, perhaps change that listing. And the CLEC can't get at it with the same interface that it's going to use to process the additional loop orders.

It has to make it separate. It has to sign onto a whole separate system and make separate inquiries and then take those inquiries about that



other listing and then put it back into the system in which they're using to order.

So it creates a bifurcated set of resources that SBC is saying will never be brought back together again. So the problem seems to be getting worse.

COMMISSIONER KRETSCHMER: How difficult would it be, in your opinion, for SBC to integrate the two systems?

MR. CONNOLLY: I don't think it would be very difficult because they are, first of all, able to integrate the loop order with the listing order. So to be able to transfer the query to obtain the listing information from the subsidiary's data base would seem to be as simple or as straightforward as being able to inquire about the listing placed on UNE-P orders or on resale orders which they keep in their customer data base.

MR. SIRLES: I might also add that as in the systems development world, it is also feasible for the CLEC to build a query where if they look one place and it's not found there, then the system

automatically queries another. It's really a matter of where we place the burden.

COMMISSIONER HARVILL: How does it work internal to Ameritech right now on the retail side?

MR. SIRLES: Retail has the same situation. They cannot obtain that directory listing without querying the directory subsidiary.

COMMISSIONER HARVILL: Is it a totally different system they have to go to?

MR. SIRLES: Yes.

MR. CONNOLLY: Is it for the UNE loop that Ameritech has, for the listings on UNE loops that Ameritech has placed?

MR. SIRLES: To the best of my knowledge, the situation is the same.

MS. ATKINSON: We're going to move onto the UNE-P product. Two items, one related to ordering and one for billing. Joan Campion is going to speak for WorldCom.

MS. CAMPION: Thank you, Nancy.

With regard to the UNE-P issue, this really is a product offering issue for WorldCom. We

are in the process right now of doing systems development and, hopefully, testing soon so that we can enter the residential market here in Illinois, hopefully, before the year is out.

One of the issues that is of concern to us is the uncertainty about the UNE-P or combined platform offering product that will be available to us. And as I understand it, we currently in Illinois would not have an UNE-P product to allow us to install additional lines for existing customers or to provide local service to new customers. We would like that issue resolved so that we know what sort of product offering we can use to enter the market and that we can use the UNE-P to provide the service, again, to new customers or existing customers that want additional lines. We don't want to be kept out of that market.

This issue is not raised here alone. It is pending in another case that's currently in litigation before the Commission. Raising it here is really our effort to raise it everywhere so we can to make sure we get a resolution of this so that

we can move forward with our system development so that we can enter the market.

COMMISSIONER KRETSCHMER: Are you saying, Ms. Campion, that if you were trying to enter the retail market -- this is for residential customers, I assume?

MS. CAMPION: That's correct.

COMMISSIONER KRETSCHMER: That there aren't sufficient lines available or if a customer has one line who wants two lines, you don't have the ability to bring the second line in?

MS. CAMPION: That's correct. That we would not be able to offer them. And if it were an Ameritech customer who wanted an additional line, Ameritech could provide the service there. It's a legal issue. There are discussions about coming up with a solution to this most recently in Michigan. We're hopeful that this is something that can be resolved quickly but, again, it is an issue of great concern to us and it effects our system development and as we move forward and do some testing for entry here.

The second issue has to do with billing,

billing in particular for the combined platform offering. WorldCom would like the billing in a CABS format. CABS stands for Carrier Access Bill System, which is the industry standard way of getting bills.

SBC/Ameritech have committed -- well, they have indicated that they have committed to implement CABS billing for UNE platform and for other UNES in October of 2001. Most recently this morning I think we heard from Mr. Giles via email about the October 2001 date. We still have not seen that that, in fact, is a committed date but it is unacceptable anyway and let me tell you why.

This is a very important issue to us because the only way that we can audit bills is to get them in the CABS format. The current format -- or the format that we will get until CABS is implemented is a format that simply cannot be audited from our perspective. We know that because to the extent we have resale customers, we get it in a non-industry standard format and the bills cannot be audited.

MCI and since then WorldCom has a history

of devoting a tremendous amount of resources to auditing bills. And I can tell you that over our history, probably more than any other carrier in the industry, over our industry we have saved ourselves billions of dollars by auditing bills and identifying errors. Indeed, today when we buy individual UNEs from Ameritech and are billed in the CABS format, the error rate is probably about 7 to 8 percent, so we know there error there. We find them and they are acknowledged through credit.

So while this issue is one of timing, it is an important time period because during that time we would simply not be able to identify any errors in the bills. We think that the CABS can be implemented for the combined platform order offering earlier than October 2001. Indeed Pac Bell is doing it by the end of this year. So, again, this is timing but it really has a direct financial impact on our company. Thank you.

MR. GILES: We don't believe there is -- other than this billing issue, OSS issue surrounding UNE. Today our OSS supports the UNE-P in Illinois called

combined platform offering and should that product be changed, we would provide the OSS functionality necessary to support that.

The billing issue in particular -- there is a committed -- a commitment to move to CABS billing as part of our move toward uniformity that is governed by the FCC uniform and enhanced OSS plan. And it is scheduled for October currently -- currently scheduled, I believe, for October 2001.

It is our belief that not being in CABS format alone prevents auditing information. Correct information is provided. That information can be utilized to perform an audit. CABS -- billing out of CABS changes the format in which the information is received. Where there is truly just a difference in information provided and not a format difference, we are in meetings with WorldCom in an attempt to make sure we provide that information in the interim.

A movement to CABS is not -- it is not a simple thing. It is a radical change to our ordering and billing process for those specific

products. In October of 2001, in our best estimate, was the best most feasible date that we could supply and that's how it became part of the uniform and enhanced plan.

COMMISSIONER KRETSCHMER: Mr. Giles, when I buy something, I am very careful to make sure I am not over paying. If I sign a charge card, I add it up. I carry a calculator. How can you expect one of your customers to be confident that what they are paying is the correct amount if they have no way of verifying it. There has to be some way for them to verify they are not over paying for the services you are providing.

MR. GILES: I agree that they need to be able to audit. The ability to audit is driven, I believe, more by whether the data is presented that you can audit from more than by the format in which it is presented. Moving to CABS is more driven by a desire to get the data in a particular format.

COMMISSIONER KRETSCHMER: Ms. Campion, can you verify that you are being billed properly by not using CABS?



MS. CAMPION: No, and I'll tell you why. The system in which we do receive the bills is not industry standard. It is not approved by OBF. Therefore, we cannot build systems to conduct the auditing because things can be changed without any sort of notification or without going through the OBF process.

So to the extent we have been receiving bills for our resale customers for the past two or three years, we simply have no auditing process at all. We have tried to do some reconciliations with Ameritech. We have done those periodically but it's not the type of very formal auditing process that we routinely go through that we have gone through for years with the CABS system, which is industry standard, not only in terms of format but in terms of the type of information that's provided that allows us to do the auditing.

COMMISSIONER KRETSCHMER: What's OBF?

MS. CAMPION: Ordering and billing forum. That's the industry group that approves --

COMMISSIONER KRETSCHMER: The industry group?

MS. CAMPION: Yes. And there is a process that must be gone through according to OBF standards if you're going to make a change in your billing format or the billing information. It is all standardized and approved by that forum.

COMMISSIONER KRETSCHMER: In Texas and California are they meeting industry standards of OBF?

MR. SIRLES: We do bill UNes out of CABS in those regions. We do not in Southern New England.

COMMISSIONER KRETSCHMER: But you do in Texas --

MR. SIRLES: In Southwestern and Pacific. This does become somewhat of a timing issue.

COMMISSIONER KRETSCHMER: But that's over a year away. I wouldn't want to be paying for what I didn't know what I was paying for for a whole year.

MR. SIRLES: I don't think it is quite as serious as that. We do think the bills are validatable. We are available to assist in validating. The bill format that's received today is quite similar to the resale format. And although I did hear that they may be experiencing invalidation attempts, we will

assist them with that. We have no intent of trying to collect charges.

COMMISSIONER KRETSCHMER: I understand you're not doing this deliberately but let me ask you is this done by computer? When it comes through the CABS is there some way of just doing it by computer or do you have to do it manually?

MS. CAMPION: No, it's not done manually. It's done through systems but there is some manual work as well but primarily through systems.

COMMISSIONER KRETSCHMER: With CABS?

MS. CAMPION: Yes.

COMMISSIONER KRETSCHMER: With their system can that be done by computer or done manually.

MS. CAMPION: No. We have not been able to develop a system to do it. And, again, to the extent we do receive CAB bills for individual UNEs as opposed to the combination of UNEs -- which is really an important distinction -- we have found, like I said, a 7 to 8 percent error rate where Ameritech has indeed agreed to credit us that amount, which tells you that there are errors.

Without that, we really have no way of backing up our claim that certain bills are not accurate.

And a year makes a difference, particularly when you're talking about entering the market like we're hoping to do, having lots of customers, hopefully, and lots of bills, hopefully, and also nonrecurring charges, up front charges that really need to be audited.

MR. SIRLES: The integrity of a bill is critical. This is a huge complex process. To rearrange the format and the nature of the bill, I would hate for us to be put in the position where we have to do it in such a short interval of time that we compromise the quality of those bill outputs.

MS. CAMPION: Any advancement of that date would be appreciated.

COMMISSIONER HURLEY: That's a tough one.

Nancy, let's move on.

MS. ATKINSON: The final issue we're going to discuss here today is line splitting. The reason why there is one other after this. It is line sharing. NorthPoint has that issue. I believe a

lot of it is a timing issue as well as they're currently in negotiations with Ameritech on this so we're not going to address that openly here today.

AT&T will address line splitting.

MR. DAVIS: Bill Davis, again, Mr. Chairman.

I don't think I'll be able to do justice to this issue in two minutes but let me try to hit the high points for you.

First of all, we need to talk about terminology for a moment because there are a couple of different terms. They're similar but they're fundamentally different. One is line sharing, which you have heard, I am sure. And the other is line splitting, which is what we're talking about here. They both involve the same things from sort of a technical standpoint. They both involve the use of the so-called low frequency portion of the loop, the local loop, for voice service and simultaneously the use of the high frequency portion of a loop for data services, xDSL type of services.

There is a key difference, though, between line sharing and line splitting. That is

that line sharing involves the local -- the incumbent local company, in this case SBC/Ameritech, retaining the voice portion, the voice service, on that loop and a data CLEC, a Covad, a NorthPoint, coming in and serving that customer on the high frequency portion of the loop providing data services.

Line splitting involves the use of, again, the high frequency portion of a loop by a data carrier but simultaneously the use of the low frequency portion of the loop for voice services by a competitive carrier. In this case we're talking about a UNE based carrier, most likely a UNE-P. In other words, where line splitting would allow my company and other CLECs to come in and serve the customers on a voice basis and either themselves or a partner with Covad and Rhythms to simultaneously provide the data portion of a service.

Now, I understand SBC's reaction to be on a couple of fronts. One, I think I heard them say that line splitting involves a product issue, not an OSS issue. What I would say about that is very

similar to what Ms. Campion said about UNE-P. I suspect SBC's response will be similar. We're not saying this is the only forum in which this issue could be resolved. We think it provides a ready and opportune forum to do so and we think it is important to do so.

SBC contends, I believe, contends that they are not legally required to provide line splitting. I assume they are referring to the FCC, a couple of FCC's order. One in the advanced services case but in that case the FCC was specifically addressing line sharing, not line splitting. More recently, the FCC addressed these issues in the FCC Texas 271 application. And there, the FCC specifically recognized the distinction between line sharing and line splitting. The FCC rules for processing 271 applications just said we're going to look at the rules in place when the application was filed. That's line sharing so this application can go forward. But it recognized that line splitting was -- I believe it referred to it as a recent development. And it encouraged the parties

to take this back to negotiations and arbitrations before the state commissions, in this case, the Texas Commission. That's what we're doing. That's what we're here asking this Commission to resolve in this arbitration.

The policy implication should be apparent, I would think, but simply stated. Without line splitting, as we're asking for it, there will be no voice provider on a shared loop other than Ameritech. If you want competition for customers who want to use a Covad or NorthPoint for data and simultaneously use anyone other than SBC/Ameritech for the voice portion, you need to allow us to have access to line splitting.

COMMISSIONER HARVILL: When you purchase a loop from Ameritech, do you purchase the whole loop, both the high frequency and low frequency and can you, as AT&T, provide both the voice of the low frequency and the data services over the high frequency?

MR. DAVIS: Half of that is yes and half of it is not quite. When we purchase the loop, our position is we purchase the ability to use all of the



function and all of the frequency on the loop. Then we in turn can either provide the data service ourselves or if we have a customer out there who wanted to use Rhythms or Covad we could partner with Rhythms or Covad or one of the other data CLECs and they would provide the high frequency portion and then we'd work out the billing arrangements between us but the LEC bills the customers.

COMMISSIONER HARVILL: So what are you asking SBC/Ameritech to do here is different than that?

MR. DAVIS: It is interesting. The situation occurred in Texas, as I understood it. We had A UNE-P customer -- we gained the UNE-P customer -- that customer being served by one of the data CLECs. When SBC/Ameritech found out about it out, they terminated the service saying you can't do that. You, AT&T, cannot provide the voice service in those circumstances so that's really the issue here.

COMMISSIONER HARVILL: So as a CoreComm customer, I wouldn't be able to take my DSL service from AT&T?

MR. DAVIS: Right. You can take -- you couldn't take your DSL service from CoreComm and

simultaneously get your voice service from AT&T. You can't say I want AT&T for my voice loop, my voice local service but CoreComm for the data portion.

COMMISSIONER KRETSCHMER: In other words, you buy the loop and they don't want you to split. They want you to use the entire loop without having a partner.

MR. DAVIS: I'll let them respond to that.

MR. SIRLES: If I could clarify, it really gets to splitter ownership, which is why our base opinion here from the standpoint of the plan of record is that it's not really an OSS issue. In the example that was cited from Texas, the DSL was being provided through a splitter that was owned by the Tel. Co.

COMMISSIONER HARVILL: Which Tel. Co.? Owned by SBC?

MR. SIRLES: SBC's Tel. Co.

And as that arrangement was rearranged and the voice provider went to AT&T, my assumption would be that what triggered the disconnect was the

loss of the splitter because SBC's position is that we're not obligated and we do not provide as part of the product the splitter ownership when an UNE-P is involved and an UNEs are involved. However, there is nothing in there that from our perspective precludes an arrangement between AT&T and a data CLEC such as Covad from creating an arrangement that does split the line.

COMMISSIONER HARVILL: Just as long as they own the splitter.

MR. SIRLES: The technology is available to them, and they could create that arrangement themselves.

COMMISSIONER HARVILL: So let me ask you this question: If I am in a situation where AT&T is my local provider and I have Ameritech's DSL service and Ameritech has provided the splitter for that -- maybe we're getting into product offering here -- but it does with a provision, I guess, at some point in time with an OSS.

If Ameritech owns a splitter in that situation and I decide I want to choose Covad as my DSL provider, do you pull the splitter then and then

require Covad or AT&T to put a new splitter into place.

MR. SIRLES: I am not sure I'm totally qualified to answer that question.

It's my understanding that AADS does not use Tel. Co. splitter at this point.

I think that really gets to the crux of the issue of why we had such a difficult time wrestling with it in OSS because it's not an OSS issue. And SBC's feeling through this proceeding was simply that it was going on in many or forums. My understanding is that the FCC has recently asked ex partes. It is the of subject of several arbitrations and until it is totally defined as to what the environment will be, it is very difficult to build an OSS.

COMMISSIONER HARVILL: If the Commission were to order in another docket requiring Ameritech to do provision line splitting, would the OSS support that?

MR. SIRLES: We would comply with that order, yes.

COMMISSIONER HARVILL: Thank you.

COMMISSIONER HURLEY: I think that pretty much wraps it up. I want to thank all of the participants. It's been very informative.

CHAIRMAN MATHIAS: I just had two or three comments.

One, just as far as the metrics, we now by my count have 22 items that were handed out, which is literally twice as many as we thought. Therefore we would encourage parties to continue to use the collaborative process either before Nancy Atkinson or off line because it would certainly ease everybody's concerns if an agreement could be reached.

If we do go to an arbitration proceeding, it would be helpful from my perspective and I am sure from the perspective of other Commissioners if the CLECs or the ILEC could present the business case for the alternative, which they're suggesting and then give a very specific solution. In other words, you can talk about what has been done in the past and that's what sometimes, I think, has

occurred. But I'm really interested in what you see in the future and how quickly in the future and what the business case is for that from your perspective.

And, secondly, from my view and perhaps from the other commissioners as well, I am very interested in the competitive impact of the solution which you suggest. Does it help or hinder competition and how quickly does it occur, does competition occur?

And the third thing I am interested in is what other jurisdictions have entertained the solution that you have suggested or that the other parties have suggested. Those would be very helpful to me with the emphasis really on the competitive impact of the recommendation which you made in the arbitration proceeding.

COMMISSIONER HURLEY: Anything further?

On behalf of the Commission, I want to thank all of the participants for coming and briefing us today. I know many hours were spent in that room over there. I would walk by there so often and see you over there. We managed to cover

this in two hours and 25 minutes.

Special thanks from the Commission to Nancy Atkinson for putting this together for us. I think she does a great job on our behalf. I see a lot of nodding so I think everybody thinks Nancy does a great job on our behalf.

The Commission will -- we're going to take a ten-minute break.

(Discussion off the record.)

COMMISSIONER HURLEY: We're going to adjourn this session. We're going to take a two-minute break and immediately go into a special open meeting that has been noticed up relative to the role of KPMG in the OSS matter. Thank you everyone.

(Whereupon the foregoing  
proceedings were continued  
sine die.)